

**State of New Jersey**  
**DIVISION OF TAXATION**

To be completed by purchaser and given to and retained by seller. Read instructions on back of this certificate.

The seller must collect the tax on a sale of taxable property or services unless the purchaser gives him a properly completed exemption certificate.

**SALES TAX**

(N.J.S.A. 52:27H-60)

Exempt Purchase Permit Number

Effective Dates

FROM **7-15-06**

TO **9-30-06**

**URBAN ENTERPRISE EXEMPT PURCHASE CERTIFICATE**

**UZ-5-SB (Temporary)**

TO \_\_\_\_\_

(Name of Seller)

\_\_\_\_\_  
(Address of Seller)

The undersigned certifies:

That this small qualified business holds a valid Exempt Purchase Permit (UZ-5A) and is not subject to the New Jersey Sales and Use Tax in connection with purchase transactions.

That the business is a small qualified business which has annual gross receipts less than \$1 million in the prior annual tax period (N.J.S.A. 52:27H-79 as amended ) and that the tangible personal property or service described below which shall be purchased from you is intended solely and exclusively for the use or consumption of this small qualifying business within an enterprise zone.

That the tangible personal property or service to be purchased (the purchasing of a motor vehicle, energy, utility service, and telecommunication services are not eligible) is described as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Name of Small Qualified Business)

\_\_\_\_\_  
(Business Address of Small Qualified Business)

By: \_\_\_\_\_

(Signature and Title of owner, partner, or officer of corporation)

\_\_\_\_\_  
(Date)

See INSTRUCTIONS on reverse side

**MAY BE REPRODUCED**

## NOTICE TO UEZ SELLERS/PURCHASERS

The Urban Enterprise Zones Act provides an exemption for certain sales made to a qualified business. Effective July 15, 2006, Assembly Bill-4702, created changes to the Urban Enterprise Zones Act. The purchase exemption remains effective; however, procedural amendments to the law now require the sales tax to be collected on sales made to qualified businesses on and after July 15, 2006, unless the business is a "small qualified business" (annual gross receipts less than \$1 million in the prior annual tax period.)

In order for a small qualified business to document the exemption, the Division has published a new temporary exemption certificate (Form UZ-5-SB (temporary)). Sellers must obtain the temporary certificate from any business claiming the tax exemption at the point of sale. Sellers have 60 days after the date of the sale to obtain the UZ-5-SB (temporary) from a small qualified business. For purposes of the point of sale exemption, sellers can no longer rely on the qualified business's prior exemption certificate (UZ-5). The UZ-5 exemption certificate is now only applicable to purchases made prior to July 15, 2006, regardless of the effective dates printed on the certificate. A qualified business that is not a "small qualified business" and therefore cannot issue the new UZ-5-SB (temporary) must pay the sales tax at the point of sale, but may apply to the Division for a refund within one year of the purchase.

Assembly Bill-4702 may be acquired from the New Jersey Legislature's website located at: <http://www.njleg.state.nj.us>.

## INSTRUCTIONS

1. **GOOD FAITH** - In general, a seller or lessor who accepts an exempt purchase certificate in "good faith" is relieved of liability for collection or payment of tax upon transactions covered by the certificate. The question of "good faith" is one of fact and depends upon a consideration of all the conditions surrounding the transaction. A seller is presumed to be familiar with the law and the regulations pertinent to the business in which he deals.  
  
The seller may, therefore, accept this "good faith" certificate as a basis for exempting sales to the signatory purchaser provided that:
  - (a) The purchaser's Urban Enterprise Number, indicating that the purchaser is registered with the New Jersey Division of Taxation, is entered on the face of the Certificate.
  - (b) The purchaser has entered all other information required on the form.
  - (c) The seller has no reason to believe that the property to be purchased is of a type not ordinarily used by the purchaser for the purpose described in this Certificate.
2. **IMPROPER CERTIFICATE** - This certificate is valid only for purchases made between the effective dates shown. Sales transactions which are not supported by properly executed exemption certificates shall be deemed to be taxable sales.
3. **CORRECTION OF CERTIFICATE** - In general, sellers have 60 days after date of sale to obtain a corrected certificate where the original certificate lacked material information required to be set forth in said certificate or where such information is incorrectly stated.
4. **ADDITIONAL PURCHASES BY SAME PURCHASER** - This Certificate will serve to cover additional purchases by the same purchaser of the same general type of property. However, each subsequent sales slip or purchase invoice based on this certificate must show the purchaser's name, address and Urban Enterprise Exempt Purchase number for purposes of verification.
5. **RETENTION OF CERTIFICATES** - Certificates must be retained by the seller for a period of not less than four years from the date of the last sale covered by the certificate. Certificates must be in the physical possession of the seller and available for inspection on or before the 60th day following the date of the transaction to which the certificate relates.
6. **QUALIFYING PURCHASES** - This Certificate may be used only for the purchase of property or services used exclusively at the purchaser's place of business in the zone. The certificate may not be used for the purchase of motor vehicles (including parts, supplies, and servicing), natural gas, electricity, utility services or telecommunications.

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STATE OF NEW JERSEY, DIVISION OF TAXATION

[www:state.nj.us/treasury/taxation](http://www.state.nj.us/treasury/taxation)

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